

Senate File 109 - Introduced

SENATE FILE 109
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SF 52)

A BILL FOR

1 An Act eliminating the transfer tax imposed on insurers
2 organized in other states who elect to become domestic
3 insurers in Iowa.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 508.12, unnumbered paragraph 1, Code
2 2011, is amended to read as follows:

3 An insurer which is organized under the laws of any state and
4 has created or will create jobs in this state or which is an
5 affiliate or subsidiary of a domestic insurer, and is admitted
6 to do business in this state for the purpose of writing
7 insurance authorized by this chapter may become a domestic
8 insurer by complying with section 490.902 or 491.33 and with
9 all of the requirements of law relative to the organization
10 and licensing of a domestic insurer of the same type and by
11 designating its principal place of business in this state, ~~and,~~
12 ~~upon payment to the commissioner of insurance of a transfer~~
13 ~~tax in a sum equal to twenty-five percent of the premium tax~~
14 ~~paid pursuant to the provisions of chapter 432 for the last~~
15 ~~calendar year immediately preceding its becoming a domestic~~
16 ~~corporation or the sum of ten thousand dollars, whichever is~~
17 ~~the lesser but not less than one thousand dollars,~~ may become a
18 domestic corporation and be entitled to like certificates of
19 its corporate existence and license to transact business in
20 this state, and be subject in all respects to the authority and
21 jurisdiction thereof.

22 Sec. 2. Section 515.78, unnumbered paragraph 1, Code
23 2011, is amended to read as follows:

24 An insurer which is organized under the laws of any state and
25 has created or will create jobs in this state or which is an
26 affiliate or subsidiary of a domestic insurer, and is admitted
27 to do business in this state for the purpose of writing
28 insurance authorized by this chapter may become a domestic
29 insurer by complying with section 490.902 or 491.33 and with
30 all of the requirements of law relative to the organization
31 and licensing of a domestic insurer of the same type and by
32 designating its principal place of business in this state, ~~and,~~
33 ~~upon payment to the commissioner of insurance of a transfer~~
34 ~~tax in a sum equal to twenty-five percent of the premium tax~~
35 ~~paid pursuant to the provisions of chapter 432 for the last~~

1 ~~calendar year immediately preceding its becoming a domestic~~
2 ~~corporation or the sum of ten thousand dollars, whichever is~~
3 ~~the lesser but not less than one thousand dollars,~~ may become a
4 domestic corporation and be entitled to like certificates of
5 its corporate existence and license to transact business in
6 this state, and be subject in all respects to the authority and
7 jurisdiction thereof.

8

EXPLANATION

9 This bill eliminates the tax imposed on insurance companies
10 organized in other jurisdictions who elect to become domestic
11 insurers in Iowa and who have created or will create jobs in
12 the state.